

# HOUSE BILL No. 1469

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 22-2.

**Synopsis:** Wage payment and wage assignment. Provides that an employer who fails to make timely payment of wages to an employee may, in addition to the wages due, pay liquidated damages, court costs, and a reasonable fee for the employee's attorney. Provides that an employee may assign wages for: (1) the purchase, rental, or use of uniforms or equipment necessary to fulfill the duties of employment; (2) reimbursement for education or employee skills training; (3) an advance for payroll or vacation pay; and (4) meals eaten by the employee at a location provided by the employer.

**Effective:** July 1, 2015.

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## Ober, Carbaugh

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January 14, 2015, read first time and referred to Committee on Judiciary.

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First Regular Session of the 119th General Assembly (2015)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2014 Regular Session and 2014 Second Regular Technical Session of the General Assembly.

## HOUSE BILL No. 1469

A BILL FOR AN ACT to amend the Indiana Code concerning labor and safety.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 22-2-5-2 IS AMENDED TO READ AS FOLLOWS  
2 [EFFECTIVE JULY 1, 2015]: Sec. 2. Every such person, firm,  
3 corporation, limited liability company, or association who shall fail to  
4 make payment of wages to any such employee as provided in section  
5 1 of this chapter shall ~~as liquidated damages for such failure; pay be~~  
6 **liable to such the employee for each day that the amount due to him**  
7 **remains unpaid ten percent (10%) of the amount due to him in addition**  
8 **thereto; not exceeding double the amount of unpaid wages, due; and**  
9 **said damages the amount** may be recovered in any court having  
10 jurisdiction of a suit to recover the amount due to ~~such the~~ employee.  
11 ~~and In addition, the court in any such suit so brought to recover said~~  
12 ~~wages or the may:~~  
13       **(1) order as liquidated damages for nonpayment thereof; or both;**  
14       **the court shall the failure to pay wages, that the employee be**  
15       **paid an amount not to exceed ten percent (10%) of the**



**amount due to the employee for each day that the amount due to the employee remains unpaid, with the total amount awarded under this subdivision not to exceed double the amount of wages due to the employee; and**

**(2) tax and assess as costs in said the case a reasonable fee for the plaintiff's attorney or attorneys; and court costs.**

SECTION 2. IC 22-2-6-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2015]: Sec. 2. (a) Any assignment of the wages of an employee is valid only if all of the following conditions are satisfied:

(1) The assignment is:

(A) in writing;

(B) signed by the employee personally;

(C) by its terms revocable at any time by the employee upon written notice to the employer; and

(D) agreed to in writing by the employer.

(2) An executed copy of the assignment is delivered to the employer within ten (10) days after its execution.

(3) The assignment is made for a purpose described in subsection (b).

(b) A wage assignment under this section may be made for the purpose of paying any of the following:

(1) Premium on a policy of insurance obtained for the employee by the employer.

(2) Pledge or contribution of the employee to a charitable or nonprofit organization.

(3) Purchase price of bonds or securities, issued or guaranteed by the United States.

(4) Purchase price of shares of stock, or fractional interests therein, of the employing company, or of a company owning the majority of the issued and outstanding stock of the employing company, whether purchased from such company, in the open market or otherwise. However, if such shares are to be purchased on installments pursuant to a written purchase agreement, the employee has the right under the purchase agreement at any time before completing purchase of such shares to cancel said agreement and to have repaid promptly the amount of all installment payments which theretofore have been made.

(5) Dues to become owing by the employee to a labor organization of which the employee is a member.

(6) Purchase price of merchandise sold by the employer to the employee, at the written request of the employee.



- 1 (7) Amount of a loan made to the employee by the employer and  
2 evidenced by a written instrument executed by the employee  
3 subject to the amount limits set forth in section 4(c) of this  
4 chapter.
- 5 (8) Contributions, assessments, or dues of the employee to a  
6 hospital service or a surgical or medical expense plan or to an  
7 employees' association, trust, or plan existing for the purpose of  
8 paying pensions or other benefits to said employee or to others  
9 designated by the employee.
- 10 (9) Payment to any credit union, nonprofit organizations, or  
11 associations of employees of such employer organized under any  
12 law of this state or of the United States.
- 13 (10) Payment to any person or organization regulated under the  
14 Uniform Consumer Credit Code (IC 24-4.5) for deposit or credit  
15 to the employee's account by electronic transfer or as otherwise  
16 designated by the employee.
- 17 (11) Premiums on policies of insurance and annuities purchased  
18 by the employee on the employee's life.
- 19 (12) The purchase price of shares or fractional interest in shares  
20 in one (1) or more mutual funds.
- 21 (13) A judgment owed by the employee if the payment:  
22 (A) is made in accordance with an agreement between the  
23 employee and the creditor; and  
24 (B) is not a garnishment under IC 34-25-3.
- 25 **(14) The:**  
26 **(A) purchase;**  
27 **(B) rental; or**  
28 **(C) use;**  
29 **of uniforms or equipment necessary to fulfill the duties of**  
30 **employment.**
- 31 **(15) Reimbursement for education or employee skills training.**
- 32 **(16) An advance for:**  
33 **(A) payroll; or**  
34 **(B) vacation;**  
35 **pay.**
- 36 **(17) Meals eaten by the employee at a location provided by the**  
37 **employer.**

